

Pre-Council

Parking Rates and Fees August 22, 2005

Meeting Began at: 10:03 a.m.

Meeting Ended at: 11:00 a.m.

City Council Members Present: Ken Svoboda, Patte Newman, Jon Camp, Annette McRoy, Robin Eschliman, Dan Marvin

City Council Members Absent: Jonathan Cook

City Staff Present: Karl Fredrickson, Ken Smith, Margaret Remmenga – Public Works & Utilities;
Joel Pedersen – Law; Dallas McGee – Urban Development;
Ann Harrell – Mayor's Office.

Others Present: Kent Seacrest – Seacrest & Kalkowski Law Firm;
Coby Mach – LIBA (Lincoln Independent Business Association);
Polly McMullen – DLA (Downtown Lincoln Association);
Tom Wright, Drew Stange – DLA Parking Committee.

INTRODUCTION:

Ken Svoboda called the meeting to order stating that before us we have Public Works and this Pre-Council is to talk about the Parking Rate Structure. Ken then asked those making the presentation to introduce themselves.

Karl Fredrickson introduced himself as the Director of Public Works & Utilities. With him is Ken Smith, City Parking Manager; Margaret Remmenga, Public Works & Utilities Business Manager; and Joel Pedersen, Assistant City Attorney.

PRESENTATION:

Karl Fredrickson stated that in our parking system, overall we are financially sound. We are a self supporting revenue section of the Department. In the parking study that was undertaken last year the consultant did a rating on us as far as the twenty characteristics of an effective parking program. Overall, our average was 3.05 out of a 5 scale, which is essentially between average to above average. None of the ratings ever reached the poor category and so our garages are very well operated. We would like to keep that in mind in a sense that they are not totally broke. There are some issues in that study where seven of those characteristics were below average and in the Mayor's letter to you, those are the areas we need to work on and continue to work on. Overall, we have a financially sound parking garage system and are fairly well rated nationally. I would like to point out that we are budgeting for a new northeast downtown garage. Our rate structure is formulated around having the funds either in cash and/or being able to bond those cash revenues in order to fund that new garage.

Ken Smith went through the slide presentation (Attachment 'A'), which was the same one that was presented at the DLA Parking Committee Meeting on June 23, 2005. He also handed out information on the "PWU - Parking Monthly Rates by Year" (Attachment 'B') and a draft copy of the "City of Lincoln - Parking Garages Annual Report 2004-2005" (Attachment 'C').

QUESTIONS & ANSWERS:

Ken Svoboda: (Attachment 'A' – Slide 4 & 6) The \$178, 000 is on top of the \$283,000 that is projected?

Ken Smith: That is correct.

Ken Smith: (Attachment 'B') The increase from 1995 to the present – over the last ten years the average adjustment over those years has been about 1.8%.

Dan Marvin: I thought the rate increase over the last fifteen years has been pretty minimal.

Ken Smith: The 1.8% is just the rates for regular monthly parking. I pulled out reserved and any secure parking because we have seen a larger increase in those areas.

Dan Marvin: Who uses the reserved? Is it more likely to be downtown residents?

Ken Smith: Some are downtown residents. At Center Park we have a secure gated area. We see some of the higher administrators, attorneys in that area. Another area is at University Square we have residents. Embassy Suites has valet parking and a reserved area. Haymarket Garage has an area below that's reserved 24/7.

Jon Camp: Would you be able to give us the number of changes in cardholders or monthly parking numbers as opposed to the rates? You don't have to do that now, but if you could get that to us. Historically, say for ten years.

Ken Smith: For ten years. I'll try. I should have the current, but I may not have the numbers for the past. I will check into that.

Jon Camp: It would be interesting to see how its acted. And then you said you also have updates since the end of December that will be posted fairly soon.

Ken Smith: I just got that June report last week, so I'm still going over the data myself.

Jon Camp: That's fine.

Annette McRoy: (Attachment 'A' – Slide 7) There was a rate increase at three garages in May of last year. So for instance, Center Park will see a \$15.00 increase in littler over a year?

Ken Smith: Just over a year, yes.

Annette McRoy: So do you think that will drive people out who took the first \$5.00 hit and then they will have another \$10.00 increase?

Ken Smith: Center Park would be our highest demand garage. If you see the waiting list, Center Park has about 3/4 of that waiting list. That is our highest utilized garage at this time. It's in the core area and hopefully people will make a choice. If people want to park next to their business they will pay a little bit more, it's a premium cost.

Dan Marvin: On the thing that Karl put out, I don't have that with me today, but I thought you had a rather substantial waiting list still in place at a number of different garages. Then you just said the waiting list has been substantially eliminated or declined. Can you flush that out for me a little bit?

Ken Smith: It is kind of a moving target. It changes daily. When we got this December report, back then we started adding people to facilities immediately. So at University Square we eliminated that waiting list.

Que Place the waiting list was eliminated. At Center Park we added approximately 90 and Carriage Park had some added. So again, some have been eliminated and some have declined. As of today, it has been increasing and steadily been increasing the waiting list.

Jon Camp: Ken, refresh my memory, as you track that waiting list do you know for example if those waiting for Center Park, how many of those are currently parking at another garage? So that you are not robbing Peter to pay Paul.

Ken Smith: We definitely try to get that across, if people are signed up for two different facilities.

Jon Camp: They might be parking in one currently, so they shift from say Que Place and go to Center Park, so that should open up another spot at Que Place.

Ken Smith: Right and within our waiting list we say what is your first choice, second choice. I don't have that number off the top of my head.

Jon Camp: Out of the number on the waiting list, do you know how many currently park in an existing City garage?

Ken Smith: We can find that out as well. I don't have that number off the top of my head.

Karl Fredrickson: You are asking how many people want to get into Center Park that are actually parking in a different garage?

Jon Camp: Right. So it may end up that by trying to redistribute, you're actually not having any net gain in parkers.

Karl Fredrickson: It depends on their economic choice. If someone in Center Park wants to go out there and it opens up a slot and this person is willing to pay more to get closer.

Jon Camp: Let's say for example, you have 500 people on a waiting list. Out of those 500, you said Ken that you cleared up the waiting list at Que Place for example, but let's say that overall you have 500 people on the waiting list and with that number 395 of them may already be parking at a garage so if you satisfy the waiting list which is apparently at Center Park, they shift over there, then you are just shuffling parkers around so to speak. Are we getting net new people off the street, I guess is the bottom line?

Karl Fredrickson: That's the goal.

Jon Camp: Out of those 500, are those really on the street now or are they just in other garages and if we could we would like to shift to a closer garage?

Karl Fredrickson: On the street, they are plugging meters all day, which they are not supposed to do either. I think its to create the opportunity that people can make choices. Hopefully the rates affect enough people in Center Park that they will make an economic choice to free up that waiting list. Maybe people shuffle from one to another depending on their economic situation. But overall the idea is to get the waiting list down at that garage you get capacity up at a different garage.

Jon Camp: I understand, but on the waiting list again, how many are going to shift are one garage to another versus come off the street?

Karl Fredrickson: I don't know that we can actually answer that question till the rate structure has been put into effect. We can get a list on how many people are on a waiting list to this garage who subscribe and are at a different garage, that we can get. Want we can't tell you is will they switch.

Jon Camp: That is what I would like to know, how many on the waiting list are currently parking at a garage.

Ken Smith: Off the top of my head, again we are reaching about 450 - 470 on the waiting list, primarily that would be about 290 different accounts, meaning that there is an organization or business out there that wants multiple spaces. So that is what we are dealing with, they are just requesting spaces. Like Nelnet, for example, they are requesting 50 spaces at Center Park and another 100 at some other garage. So there are approximately 290 accounts that are requesting spaces at this time.

Jon Camp: Nelnet would be a great example, you could just make a call to them and say ok are you wanting another 150 spaces, are you shifting, are these new employees, or whatever. That would be helpful I think to understand the dynamic of the parking system.

Ken Smith: And we have businesses continually asking for spaces.

Ken Svoboda: I did speak with a representative from Nelnet last week and I asked them if they surveyed their employees as to those who would make a change, where are they currently parking, so they are informally in the process right now trying to do that. One more question that I have is have we surveyed the private parking garages in the area to know whether they have the capability of adding any, that if we raise our rates we would lose a certain share of that to the private structure?

Ken Smith: I can only answer with what information that I have here, what their waiting list at the time were. DLA or the Chamber may have a firm number as far as how many employees there are and what their type of needs are at the time, whether it is just employee based. I would assume that most of the parking garages at this time privately owned are employee based only and I think that was something Rampark was going through at this time.

Ken Svoboda: As a quick follow-up, have we surveyed those that are on the waiting list to see if they are willing to pay the additional rate that we're proposing?

Ken Smith: In our newsletter we did indicate those proposed rate changes.

Ken Svoboda: And the waiting list hasn't changed?

Ken Smith: It hasn't changed and to date we have received only about three phone calls about the proposed rates changes.

Jon Camp: I think what is really critical in the conversation that we are having right now is this points to the need to take an overall total approach and not just say well let's raise the rates and see what effect it has. I would rather be proactive and some of the things that the Carl Walker study said, maybe we need to hold off on these rate increases. Make the calls, get the information from Nelnet and other major employers to see what are the net gains and who's double booked as far as the waiting list. I just hate to proceed and say well let's just wait to see what the outcome is, that's just a piece in the approach that could overall tamper with the agility of the downtown parking environment. It upsets some people and may cause unknown consequences rather than stepping back and say let's look at the whole system. I think after the study that we really need to look at the overall approach.

Dan Marvin: (Attachment 'A' – Slide 9 - 13) Where will you be selling these cards?

Ken Smith: Right now you need to come into the Parking office to set up an account. After that we are working with IS to get the cards on the web so you can add value eventually on the web.

Annette McRoy: Is there a marketing program for this card, so the general public knows about it, so the people that come frequently will be able to purchase one?

Ken Smith: We did meet with UNL to go over our marketing program. This time we are still trying to work out the program. It is catching on, it has been out for about 30 days now or roughly since about June.

Annette McRoy: I think it is a great idea, very innovative to have a card for people who come downtown, but more people should know about it. I saw something in the parking newsletter a couple months ago, but in order to make sure the public really embraces it and sees the value in it we have to make sure we push it forward.

Jon Camp: (Attachment 'A' – Slide 17) Refresh my memory, what is the \$112,000 Developer Contribution?

Ken Smith: That would have been from the Haymarket Garage retail space.

Dan Marvin: The revenue went down for parking meters and has consistently gone down. Can you explain to me why that is?

Ken Smith: Just given the trend that I see here, our Lease and Transient revenue has gone up and I hope we are pulling a lot more people off the street and getting them in to the garages.

Dan Marvin: Is it because we've had this more active program of ticketing people that plug their meter more than once?

Karl Fredrickson: I elude to Jon's comment on structure. In Public Works & Utilities we take care of the physical meter itself. The collection is done through the Police Department and Finance Department. So as far as the restructure, those are the things we want to look into and be able to track that and be able to have the data to make those decisions. Our assessment is that hopefully we have more people in the garages.

Dan Marvin: That is a \$200,000 decline over two years.

Patte Newman: (Attachment 'C' – Page 20) Under the Parking Garage Analysis, what does Management Services consist of, the \$1.3 million?

Ken Smith: That is for our Parking Operator. Basically made of wages, salaries, benefits.

Patte Newman: So it is all of the employees, including management fees.

Ken Smith: That is correct.

Ken Smith: Dan, even though that has gone down in parking meter revenue, overall the increase in revenues has gone up 16% since 2001.

Dan Marvin: Yeah, I recognize that. Up 11% one year and up 5% the next.

Annette McRoy: Karl, in our packet we had a proposal from DLA on the Downtown Lincoln Parking Association Management Structure. Did you review that? I assume you got a copy of that.

Karl Fredrickson: We met with DLA last week and went over their proposal. I think as the Mayor stated in her letter of August 4th, that we will continue to work with DLA and the other stakeholders in downtown Lincoln to look for that organization, to try to do what the report has said and that is to try to integrate the management of both on-street and off-street parking in downtown Lincoln. Joel has been engaged in trying to figure out the legal aspects of that. One, that the fines for parking tickets currently goes to school districts. The actual fees and meters goes to other places. So there are some legal aspects in what can and can not be done with a separate outside organization. So we are trying to find out what are those details, evaluate them, and we continue to work on that.

Annette McRoy: Joel, can you go over some of the legal questions that you are looking at?

Joel Pedersen: Primarily right now the Carl Walker study was the starting point. Looking through the report and doing a combination of things. The result of that was a sense that the parking program, especially downtown, needed to be elevated in priority. There has been discussion wide ranging in terms as to how best to do that. I think it is fair to say what you have before you is a representation of at least some of that conversation. The difficulties we've been having is every conception of that is trying to integrate on-street with off-street parking. Historically, that has been a separate thing in not just the City of Lincoln, but in the state of Nebraska. Off-street parking as a municipal function developed through state statutes and there has been distinction about right-of-way and the treatment of on-street has always been different. So we have that to work through. We also have some concepts and comparisons to be made versus the internal model versus an external or an independent type of authority. Both of which raise separate legal questions.

Dan Marvin: What are those legal questions?

Joel Pedersen: The safest thing to say is there is two models existing right now that have been compared to what has been suggested for the parking authority. One is Pershing Auditorium, which is City owned and then privately managed. We hire out a management firm to do the management there. The second one is LES, which is basically an independent entity and a business unit of the City that's governed by an independent board.

Dan Marvin: Neither of those create a legal problem because they are pre-existing models.

Joel Pedersen: LES, there is a significant difference there. There was a vote of the people in 1970 to establish that board.

Dan Marvin: That wasn't the case with Pershing?

Joel Pedersen: No. Pershing we do have a management contract. Some of the conceptions and ideas are similar. There is an existing advisory group for parking that has a lot of the key players and stakeholders involved. Pershing Auditorium also has an advisory board and they work with a privately hired management firm.

Dan Marvin: Then getting back to the legal question you claim is a problem, if there is a model like Pershing that exists then what is the legal impediment?

Joel Pedersen: I guess in terms of how that addresses elevating the priority that parking has on the City. Pershing as it exists right now, the Advisory Board, the asset is still City owned, there is a 60-day termination provision on the management firm. The role of the Pershing Advisory Board and how the draft that you see differs, the 15 member board and the composition of that board that has some details that I think are important to the City Council and Mayor's office. The question of are you still involved in rate setting, is that something the City Council still wants to see.

Dan Marvin: We were told at the last meeting that we weren't involved with rate setting, that's what Karl directed us.

Karl Fredrickson: The Council is involved in the approval of the budget, not rate settings.

Annette McRoy: Last week you said the rate increases were not part of the budget deliberations.

Karl Fredrickson: The rate increases can be set by the Director of Public Works & Utilities and the operating budget is what is in front of the Council to be approved. If rates exceed the budget then it goes into the Parking Revenue Fund. That's what goes into the cash account and that is what we plan on using

the new garage for. The general operating budget is what's in front of Council for approval.

Patte Newman: You talked about Pershing having a 60-day termination clause. We just signed with Republic, was that not a 4-year contract and do we not have a similar 60-day termination clause?

Joel Pedersen: Yes, we do.

Patte Newman: OK, and does this add another layer of, and I hate to use the word bureaucracy, but we would be adding another position. So we would have a management company and we would have a manager and a committee. Doesn't it add another person in there?

Joel Pedersen: Potentially. I think the counter vailing thought was that if you had a person, for lack of a better term, operated as a parking czar, then that would better integrate not only on-street and off-street in City parking garages, but it would also address the question of how does the whole universe of parking work in Lincoln and especially in downtown. We had some folks in from Toledo, for example, that were talking about a private authority there. Without jumping to the assumption that private is always better, the thought is that if you have this enabled person that they are more quickly, more in-depth, more plugged in. Those sorts of arguments are often heard. But to be fair, some of the problems they had in Toledo we don't have in Lincoln. They were not maintaining their garages, they did not have a replacement fund. They were having landscaping and maintenance issues that we just don't have. Conceptually, it's possible to re-visit that Republic Management agreement and make it Republic Plus and enable that existing Parking Advisory Board to talk in the same way that the Pershing Advisory Board talks to the Pershing management. That is one possibility.

Dan Marvin: We only have an hour and I want to ask a question because I don't have all the legal expertise that you would have Joel, is the proposal that is before us from DLA and the management agreement as you understand it legal or not legal within the state of Nebraska?

Joel Pedersen: There are two concerns that I have, it is an externally semi-independent board structure. The best model to give there would have to involve an interlocal agreement at a minimum.

Dan Marvin: Would the interlocal agreement be with?

Joel Pedersen: The logical candidate is the University of Nebraska.

Dan Marvin: Again, I just want to know legal or illegal? Rather than how you would like to tweak it or change it. Is it legal structured that way, assuming that we couldn't get the University to sign on board because they don't own these parking garages so I don't know if they are stakeholders that you can create an interlocal with it, but again I don't have the legal expertise that you do. Is it legal the way it is structured now or not legal?

Joel Pedersen: What you have before you doesn't have a lot of the details that I'm concerned about, so in concept it's legal. It may require some changes and some footwork either at the local level or perhaps even at the state level if you want to integrate the on-street and off-street.

Annette McRoy: You talked about the Pershing and LES model. What about the model similar to what we have with DLA as far as the management. All the streets and facilities downtown belong to the City, yet the maintenance is contracted out to DLA. We approve their budget each and every year and their work plan. Would a model like that be done for parking?

Joel Pedersen: Yes, all the business improvement district authority is set up under state statute. Their funding mechanism and how that works and then there is an operating agreement with the City. That was one of the things that we discussed conceptually.

Annette McRoy: So can we add parking to DLA's management contract?

Joel Pedersen: It could be done.

Annette McRoy: It could be legally done?

Joel Pedersen: Yes.

Robin Eschliman: Joel, you talked about the difficulties associated with privatization and it seems to me when I look at these numbers the total operating expenses have gone up 31% since 2001. Some of the sub-categories would indicate employee benefits have gone up 68%, travel and mileage has gone up 72%, and contractual services has gone up 133%. I'm hard pressed to believe that the private sector is seeing those kind of increases and it seems to me that our first attitude should be how can we get a hold of a system that will bring these costs back down a little bit lower for the tax payer, rather than an attitude of what is the legal problem that we see with this. I think we can work the legal problem out, but clearly we have tremendous increases in parking costs.

Joel Pedersen: From the substance of it, I can not disagree with the picture you painted from the numbers. Conversely, you have 37 million dollars in assets and 6 million dollars revenue from this City operation. I think there has been some criticism that this study has been out there a long time and there has been some indecision on the City's point. But we want to act carefully, this is a significant public asset, a significant revenue stream that is coming to the City right now. It is plugged in legally a number of different ways and I think that in terms of accountability structures there are some assumptions that private can do something better, I don't disagree with that. I think to the credit of the officials on the City side and also from the private side I think we have done a good job of going through options and alternatives. We also have gone through different personnel, we have Karl on board now and he has a lot on his plate that has come to him through Allan and Ann in the interim. We have had a difference of focus in terms of what we are going to do, what the parking study meant, who would be involved, and from that stand point I think we have done what we can to address some hard questions in a timely and responsible manner.

Jon Camp: Parking is a very delicate issue in downtown especially. Parking we are getting everything from changing the color of the poles, parking rate increases, there has been a 31% increase in expenses, yet operating income has been flat or gone down in the last four years. Let's look at this, we spent \$54,000 on the Carl Walker study, we are always going to have personnel changes, but we also have a lot of good people like yourself who are here. I would like to see us get in to a can do attitude and make it work rather than slowing the thing down and tinkering with something here and there. The more people hear about parking this, parking that, you are hurting things. That is why your parking meter revenue is down, you have played with it to much. Mr. Chair, in these Pre-Council's we normally listen to staff, but we have some private sector people here and Kent Seacrest has made some proposals talking about this. I would like to ask a couple questions there to get a balanced approach here. I would like to have Kent Seacrest come up.

Ken Svoboda: My colleagues agree? There would be no presentation, but asking questions of Kent or representatives from DLA would clearly be fine.

Dan Marvin: Before Kent comes up, I'll just point out last week we had DSN come up and they are not a for profit, but certainly have an effort to try and maintain expenses and be efficient. They had a 80% and 100% increases in a number of categories and the reason they were before us was because their expenses were out of control and they need to load more people in to their houses so they can make ends meet. So I think we have faced a lot of rising expenses in health care costs and other things, so I'm not so sure that these are out of line.

Jon Camp: Kent, you had put together an evaluation of the Carl Walker study and you and Joel worked together in a lot of the downtown business improvement districts. Could you give us a flavor here on how

all of us in a team approach could go ahead here? What can we do to improve the system and what is the best step?

Kent Seascrest: First of all I want to indicate that the Carl Walker report came out I think in November, we had a sub-committee, Joel and various City people have been helping along with downtown leaders on that study and to date it starts with the Carl Walker study itself, it was decided by Public Works as well as downtown to fund that jointly and to see what the national experts would say are the best in class or best management practices and that report came out and concluded that their number one recommendation is the current status quo structure is not good. They then went through three models, one was what I'm calling the independent model which is the paper in front of you that I have prepared and that got the most priority by a panel of six national experts in this area. The second was the DLA model which again would be independent, but would be housed in DLA. The third was to re-organize the activity within City Hall. The fourth happened to be the status quo. So that was the basis of the committee was to see there is the national experts saying that we don't have the best model, so let's go do the independent and we have struggled with the model and we have not been able to reach a consensus to date on that model. So I took a crack at trying to take the Carl Walker recommendation and try to "Lincolnize" it and that's just my first draft. We had a meeting with Karl last week to go through that draft and in my opinion, I'm not saying that I have all the details correct, but I don't think there are any legal issues that can not be resolved. I think you have plenty of authority and models. One of those models that we proposed, I know Joel was concerned in the past was enforcement. Right now the model that I have put out there has the enforcement of staying possibly within the Police Department or within transferring that over to Finance Director. I talked to Chief Casady and he's comfortable with any of those models. What he would really love to see is this independent board set the parking policies so in other words are we going to enforce meters at 6 p.m. or could we do 5 p.m. and avoid a lot of bad P.R. So those are the type of directions that he wants. He was very supportive to me over the phone on trying to explore the independent model because I think he thinks it would be a clearer model so that if the City does retain enforcement, they know how to enforce it and who is accountable for the policies. I think we could work on this but right now there is a view that I'm sensing that the do it inside City Hall is a better mouse trap. I think the Carl Walker report and my own bias after studying the report has come to the opposite conclusion and that is the independent model is more desirable. So I think the challenge Jon is to see what your directions are and we can go implement in whatever direction that you guys think is the best.

Jon Camp: Joel are you suggesting that we do this on the third step, reorganize within City Hall versus doing the independent model?

Joel Pedersen: Well, again I'm here to respond to your direction primarily. I do being your legal representative want to keep you plugged in. I think there is a role for the City Council. I think there is a role for the Mayor to keep plugged in to what happens with parking. I think it is important. That's my bias I guess as your legal council, but I don't think you would expect to hear anything else.

Jon Camp: So you are saying do it within City Hall?

Joel Pedersen: To me that has some advantages if you don't use an interlocal. I think it is quicker and easier. I think we can see some of the benefits more clearly. I like the accountability of having us hire the private management firm as the City, as opposed to an independent board hiring.

Annette McRoy: Kent, looking in your proposal the Council will still be involved by having a seat on the board and ultimately like any contract, the current parking, DLA, we would still approve overall any expenditures, not only at budget time, but any contracts that would bind the City? It would not be that the Director make the City liable for what ever they thought was best, the Council would still have a role in the major overall decisions?

Kent Seascrest: That is correct. It's important, these are the City's public access as a result that the buck stops here in City Hall. So the mechanisms not only didn't have a Council member be on the board, the

Mayor, Public Works Director, Finance Director, those type of people, so there was a lot of government on the board where public and private come together. But absolutely, you would have the same 60-day termination clause that you have at Pershing if they did anything wrong. Secondly, it would take an annual budget approval. So if you never approved their budget at budget time, they would have to go out of existence. You would have the right to pull it every year. In the case that I've outlined, what I call a three year sunset, for whatever reasons it would have to be renewed in three years for this to be a viable structure. The Council would be in charge of selection of funding techniques, you would be issuing the bonds, not this new entity. You would be improving the final recommendation as to where to build a garage. The independent board would give you a recommendation just like the Planning Commission does, or the Building & Safety or the Building Commission does. So that it's a situation where the buck does lie with you and nothing would be done in the way of bonds or building without your vote or approval.

Jon Camp: Joel mentioned that it would be quicker to have it done at City Hall. What do you say on that point, Kent?

Kent Seacrest: The experts said the same things, it is easier to achieve when you do it inside City Hall because it doesn't take a lot of meetings, but I'm thinking in 60-days versus a week, I think we can do it. I think the advantage the experts found was that it was better on economic revitalization and they concluded that it is more cost effective and more efficient to do it independently. And they also thought customer satisfaction would go up. So I mean yes, the Mayor could do it today.

Robin Eschliman: I want to say that my company has management parking garages now since 1987 and I myself managed a parking facility for about ten years. There is nothing in downtown, absolutely nothing that is more sensitive than the parking situation. We see it on the parking side, we see it on the leasing side, we see it on the entertainment side. There is no more sensitive area that you could have chosen to work on and found a possible solution and I would really like to see some faith put in this committee for all the work that it did on this Carl Walker study. There is nothing wrong with trying to be the best instead of just being good. If this has the potential to take us from good to great we have to look at it and try to find a way to work through the obstacles.

Ken Svoboda: Karl, could you have your staff put together a list of those items, what would change within the current structure, personnel, whether it would be lose, increase, whatever it might be if we were to implement the model that DLA and Kent Seacrest has brought forward.

Karl Fredrickson: That is the process that we are involved in. We just got the Kent Seacrest model last Thursday.

Ken Svoboda: I understand. I'm not asking for it in the next day or so.

Karl Fredrickson: We've asked Joel who put together that information as far as some structures, so it's in progress. I would like to think right now that we are neutral on whether it is in or out. We just want to make sure we know all the challenges.

Ken Svoboda: Absolutely.

Karl Fredrickson: One other comment, Robin had commented on the budget increases on operating expenses, Ken just jotted some notes. One, the living wage ordinance was an expense, we had a new garage in fiscal 2001-02 so there was expenses with operating a new garage, we did advertising, and the Carl Walker study itself that we contributed to that was not budgeted so that added to it as well, and general on-going operating expense increase. We also have increased advertising and marketing to try and get the word out on our programs. I guess what I would like to do is go more line by line as to what is the rational, whether than number by number.

Jon Camp: Karl, with all this said what is our game plan here and what is the timetable so we can get our hands around this issue and I would like to suggest that you hold off on any rate changes if its only 60 days to the outset.

Karl Fredrickson: Well, our timetable was for the rates, I think we were shooting for September 1 and that may be rethought. As far as Joel drafting something out, where sooner than later, I would hope within a week or two that Joel will have something for us to see and visit about. We can go through those options and move forward from there.

CLOSING:

Ken Svoboda closed the meeting by thanking those who made the presentation and those who attended the meeting.

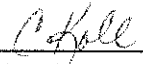
ATTACHMENTS:

Attachment 'A' – Slide Presentation Handout titled "Parking Committee Meeting, June 23, 2005"

Attachment 'B' – Handout titled "PWU - Parking Monthly Rates by Year"

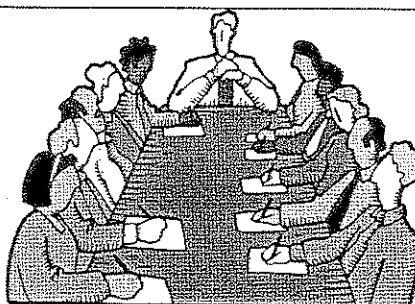
Attachment 'C' – Handout titled "Draft, City of Lincoln - Parking Garages Annual Report 2004-2005"

Prepared By: _____


Chris Koll, Public Works & Utilities

Parking Committee Meeting

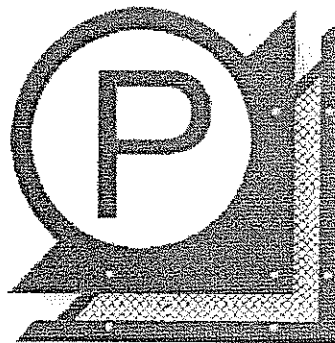
June 23, 2005



Slide 1

Agenda

- Rates
- Park It Downtown Card
- Annual Report



Slide 2

RATES

FY 2005-2006



Slide 3

Proposed Daily Rates for FY 05/06

Current	Proposed
\$1.00 for the first hour	\$1.00 for the first hour
\$.75 each additional hour	\$1.00 each additional hour
Maximum \$5.50 per day	Maximum \$6.00 per day
♦ Estimated revenue with proposed rates: \$283,695 per year based on current facility usage.	

Slide 4

Proposed Monthly Rates for FY 05/06

<i>Facility</i>	<i>Current Rate</i>	<i>Proposed Rate</i>
Carriage Park	\$60	\$65
Center Park	\$65	\$75
Reserved	\$80	\$90
Cornhusker	\$60	\$65
Reserved	\$70	\$75
Haymarket	\$60	\$45
Reserved	\$70	\$60
Market Place	\$60	\$55
Que Place	\$65	\$70
University Square	\$65	\$75
Reserved	\$75	\$85

Slide 5

Net Change for Monthly Rates

<i>Facility</i>	<i>Number of Cardholders</i>	<i>Net Change</i>
Carriage Park	743	\$5
Center Park	916	\$10
Reserved	49	\$10
Cornhusker	94	\$5
Reserved	40	\$5
Haymarket	111	(\$15)
Reserved	50	(\$10)
Market Place	230	(\$5)
Que Place	499	\$5
University Square	204	\$10
Reserved	143	\$10
Total:	3079	\$30

◆ Estimated increase in revenue with changes would be \$ 178,680 annually with current monthly customers.

Slide 6

Benefits of Rate Increase

- To offset increased cost of living wage ordinance
- Shift demand to decrease traffic at highly utilized facilities by creating a personal economic incentive
- Increase occupancy rates at Haymarket and Market garages.

○ *In May 2004, monthly rates at Center Park, Que Place and University Square increased \$5.00 per month. However, the other facilities have not had an increase for 5 years.*

Slide 7

Waiting Lists

- Since May 2004 the Lincoln Parking System has added 451 monthly customers to the facilities.
- Waiting lists for all facilities have declined or been eliminated.
- New technology has allowed management to accurately track transient and monthly customers to determine the utilization of each facility.

Slide 8

Park It Downtown Card



Slide 9

What is the Park It Downtown Card?

- A prepaid card that is used at the entrances and exits of eight facilities
 - It eliminates the need for cash payments
 - Speeds up exit times/No cashier is needed
 - Makes parking downtown more convenient
 - An alternative option for part-time employees

Slide 10

How Will it Will Work?

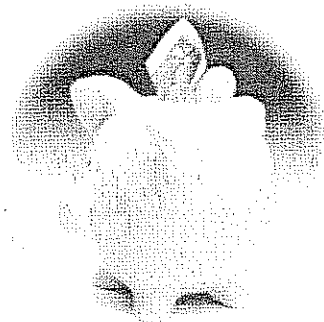
- The card will replace the current Park Smart program
 - Consolidate to one program
 - Discount will be given at time of purchase
 - No stickers to manage

Slide 11

How Much Does it Cost?

- Participants receive a 20% discount when they spend \$20 or more.

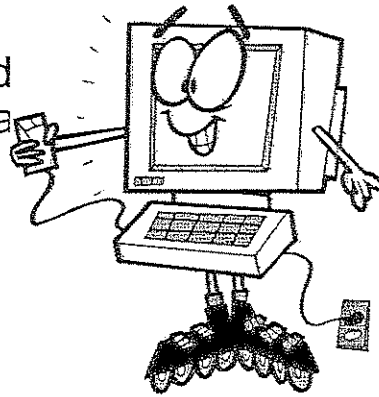
Your Cost	Parking Value
\$20	\$25
\$40	\$50
\$60	\$75
\$80	\$100



Slide 12

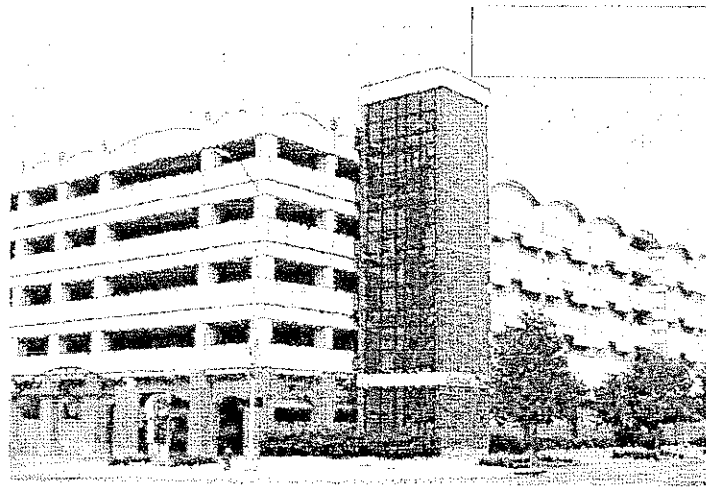
Online Sales

- Eventually, Park It Downtown participants will have the ability to add value value to the card via online, via credit ca



Slide 13

Annual Report



Slide 14

Purpose

- Preliminary report
- Final report scheduled to be completed at the end of 2005 after finances have been audited
 - Additional reports will continue to be published at the beginning of each year
- Looking for comments and suggestions to enhance the usefulness of the report

Slide 15

Financial Overview

AS OF AUGUST 31, 2004

CAPITAL ASSETS	PARKING LOTS	PARKING GARAGES
Facilities	\$320,200	\$4,267,844
Buildings	\$9,765	\$40,934,697
Improvements Other Than Buildings	\$287,148	\$266,428
Machinery & Equipment	\$86,068	\$1,041,698
Less Accumulated Depreciation	-\$135,660	-\$10,095,201
TOTAL CAPITAL ASSETS	\$567,521	\$36,375,466

Slide 16

Parking Garage Analysis

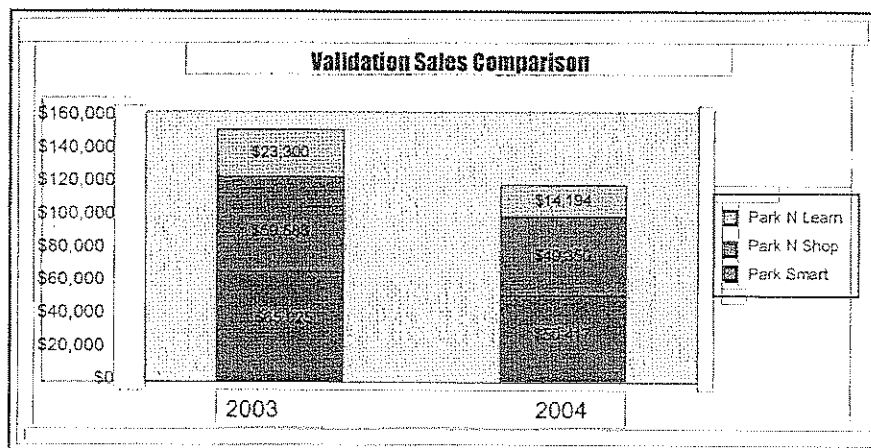
PARKING GARAGE ANALYSIS

OPERATING REVENUES	2001 / 2002 *	2002 / 2003 *	2003 / 2004 *
Garage - Lease	\$1,757,022	\$2,107,126	\$2,265,789
Garage - Transient	\$1,642,760	\$2,098,689	\$2,207,124
Parking Meter Revenue	\$1,365,760	\$1,283,374	\$1,147,347
Garage - Football	\$179,109	\$222,017	\$259,761
Parking Coupons	\$122,555	\$147,053	\$156,068
Developer Contribution			\$112,231
Non-Moving Fines			
Miscellaneous	\$16,139	\$12,305	\$12,347
TOTAL OPERATING REVENUES	\$5,282,983	\$5,870,564	\$6,160,667

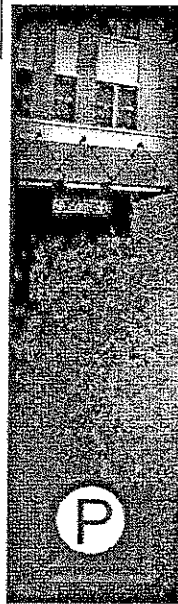
* Audited Reports

Slide 17

Validation Sales



Slide 18

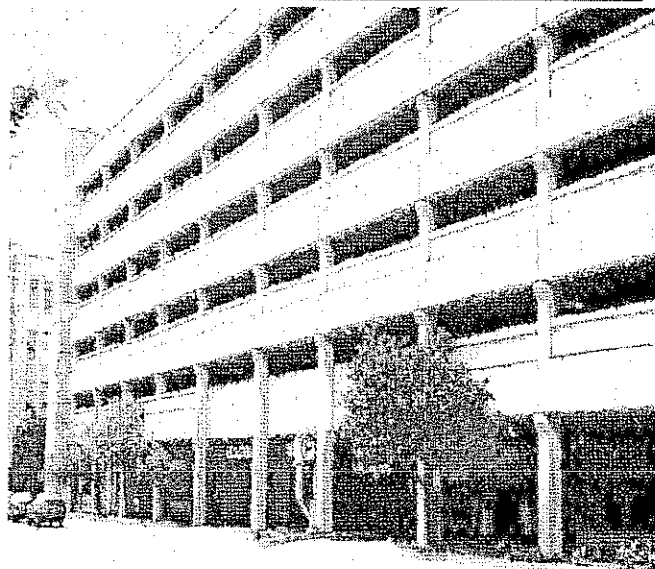


Utilization Study

- Diversity
- Garage Occupancy
- Garage Occupancy Rates

Slide 19

Center Park Garage



Slide 20

Center Park Utilization Garage Occupancy

- After subtracting the reserved and handicap spaces there are 990 stalls available for monthly cardholders and short term transient customers.

CENTER PARK	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	2	82	166	169	171	173	170	57	990
Handicapped	12	0	1	2	0	0	3	0	18
Reserved									
Monthly	0	50	0	0	0	0	0	0	50
Employee	3	0	0	0	0	0	0	0	3
Valet	0	0	0	0	0	0	0	0	0
									1061

Slide 21

Center Park Utilization Diversity

- 926 Non-Reserved Cards Issued
- During peak hours the maximum number of non-reserved monthly cardholders in the garage at one time was 705.
- On average the number of non-reserved monthly cardholders in the garage was 685.
- This resulted in a peak diversity factor of 76.13% and an average factor of 73.97%.

	Peak	Average
Total Space Count	1,061	1,061
Less: Handicap Spaces	(18)	(18)
Reserved	(50)	(50)
Employee	(3)	(3)
Space Available to Sell	990	990
Diversity		
Non-Reserved Monthly Parkers	705	685
Total Non-Reserved Cards Issued	926	926
Diversity Factor		

Slide 22

Center Park Utilization

Garage Occupancy Rate

- The number of stalls open during peak hours is 0 while on average the number of open stalls is 54
- The peak garage occupancy percentage is 101.23% and the average is 94.91%.

	Peak	Average
Total Space Count	1,061	1,061
Less Handicap Spaces	(18)	(18)
Reserved	(50)	(50)
Employee	(3)	(3)
Space Available to Sell	990	990
Diversity		
Non-Reserved Monthly Parkers	705	685
Total Non-Reserved Cards Issued	926	926
Diversity Factor	76.13%	73.97%
Garage Occupancy	990	990
Non-Reserved Monthly Parkers	(705)	(685)
Ticket Holders	(290)	(251)
Empty Spaces	(13)	54
Garage Occupancy Rate	101.23%	94.91%

Slide 23

Occupancy Rates

Garage	Peak			Average		
	Garage Occupancy	Empty Spaces	Cards available for Sale	Garage Occupancy	Empty Spaces	Cards for Sale
Carriage Park	104.54%	(32)	0	69.18%	217	434
Center Park	101.23%	(13)	0	94.91%	54	72
Cornhusker	113.95%	(55)	0	79.44%	81	157
Haymarket	48.23%	224	356	40.83%	242	425
Market Place	74.55%	98	134	56.10%	168	245
Que Place	94.81%	42	53	72.44%	223	345
University Place	91.53%	37	68	80.78%	84	184
Average	89.41%	43	87	70.53%	152	266

Slide 24

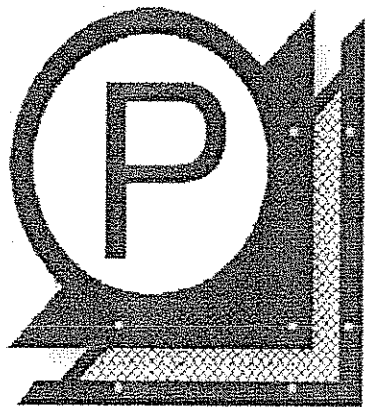
Strategic Occupancy Plan

Method of Progression

- 1.) Implement Technology
- 2.) Build the database for reports
- 3.) Evaluate reports and waiting lists
- 4.) Structure fees in high demand areas
- 5.) Consider shuttle services

Slide 25

Questions



- A draft of the annual report will be available at www.ci.lincoln.ne.gov under the public parking link.
- Please let us know if you have any questions or comments after reviewing the report.

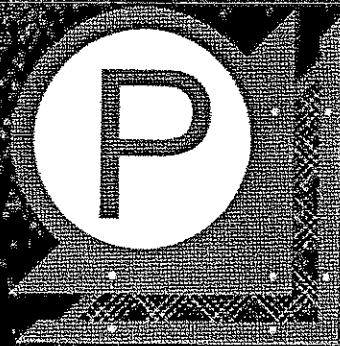
Slide 26

**PWU - Parking
Monthly Rates by Year**

Parking Facility	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Proposed
Carriage Park (1995)						\$50.00	\$50.00	\$52.50	\$55.00	\$55.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$65.00
Center Park (1978) -Secured	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$52.50	\$55.00	\$55.00	\$60.00	\$60.00	\$60.00	\$60.00	\$65.00	\$75.00
Cornhusker Square (1984) -Reserved	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$52.50	\$55.00	\$55.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$65.00
Haymarket (2001) -Reserved								\$52.50	\$55.00	\$55.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$65.00
Market Place (2000)											\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$65.00
Que Place (1994/99) -Valet					\$50.00	\$50.00	\$50.00	\$52.50	\$55.00	\$55.00	\$60.00	\$60.00	\$60.00	\$60.00	\$65.00	\$75.00
University Square (1990) -Reserved	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$52.50	\$55.00	\$55.00	\$60.00	\$60.00	\$60.00	\$60.00	\$65.00	\$75.00

DRAFT

**CITY OF LINCOLN - PARKING GARAGES
ANNUAL REPORT
2004-2005**





Mission

"The Parking Section is defined by using appropriate strategies and oversight to promote compliance with its mission and related goals. This is done by supporting existing and future land uses, assisting the City's economic development initiatives, and preserving parking by providing adequate and high quality parking resources and related services for all users while maintaining and/or increasing revenues to support future parking development."

Vision

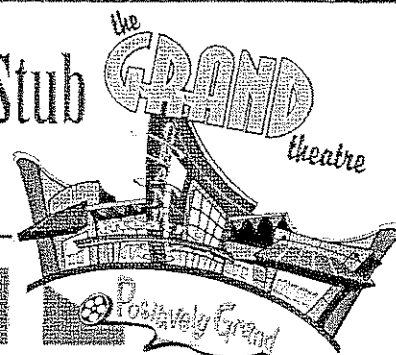
"To protect the City's investment in the parking system by maintaining and improving on a safe, reliable, and efficient parking facilities and equipment. There will be a continuing need to maintain and improve the City's existing and future parking facilities and equipment. This will be accomplished by utilizing the necessary training, technologies, and modern equipment. The City of Lincoln's Parking Section will meet escalating public demands, by increasing the system's ability to be more efficient, accountable, and responsive. The parking system will continue to efficiently serve the public with the highest standards of quality, safety, and responsiveness while working to increase public parking effectiveness."



Contractual Space Allocation

Show us your Parking Garage Ticket Stub

and we'll show you how to PARK FREE* when you visit downtown Lincoln's new Douglas Grand Theatre.



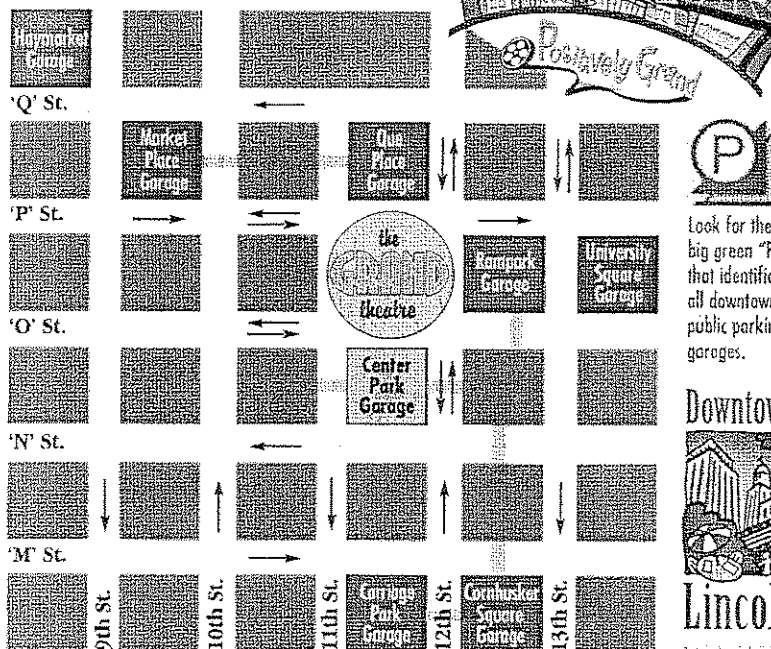
*It's as easy as 1-2-3:

1. Park in any of the downtown Lincoln parking garages (except during home football games) shown on the map.
2. Bring your parking garage ticket stub to the theatre for validation at the same time you buy your theatre ticket.
3. Present your validated parking ticket when you exit the parking garage. Your total parking charge will be credited with the following:

Three hours
FREE parking

First hour of
parking FREE

- Center Park Garage - 12th & N
- Haymarket Garage - 9th & Q
- Market Place Garage - 10th & P
- Que Place Garage - 11th & P
- Rampark Garage - 12th & P
- University Square Garage - 14th & P
- Carriage Park Garage - 11th & M
- Cornhusker Square Garage - 13th & M



www.downtownlincoln.org

www.parkindowntown.org

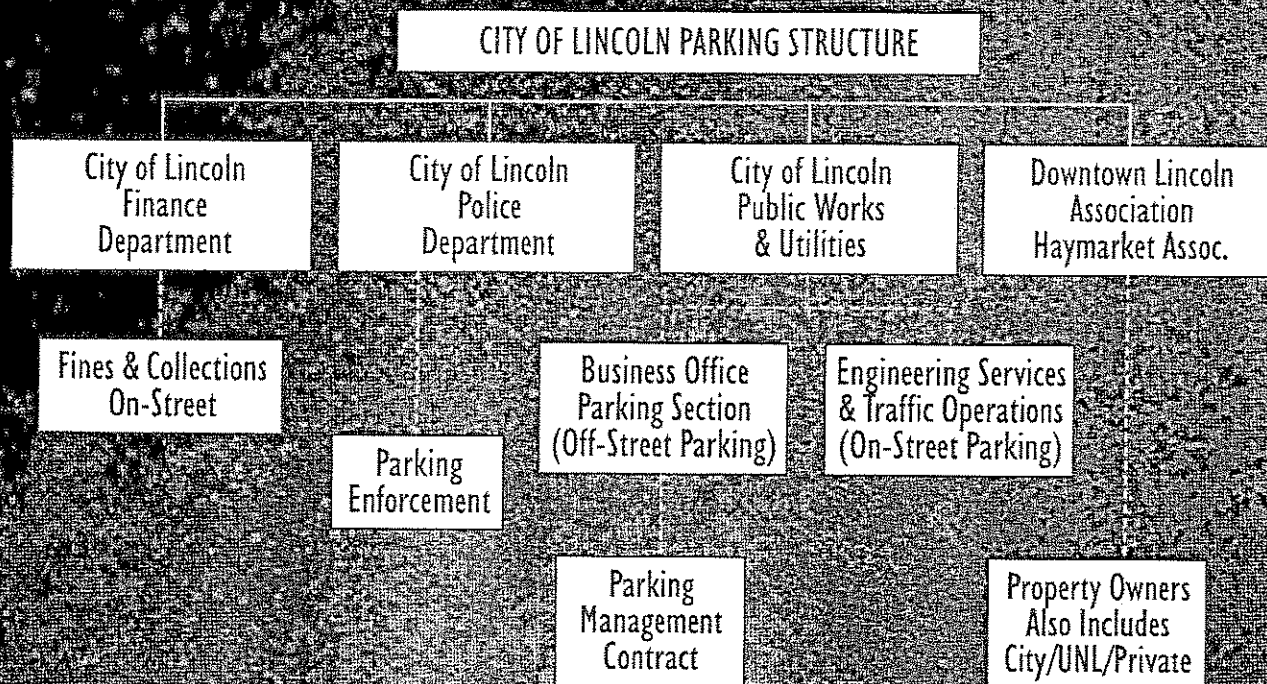
www.douglastheatres.com

The City of Lincoln holds contracts with Southeast Community College and Douglas Theatres relating to parking requirements in Center Park Garage. Southeast Community College may lease up to 100 parking permits at the current monthly parking rates according to their agreement.

In the contract with Douglas Theatres the City provides parking in Center Park Garage to Grand Theatre movie patrons and employees at no cost to anyone leaving after 7:00 p.m., subject to space availability. Prior to 7:00 p.m., a discounted hourly rate has been established with the theatre to cover parking fees for movie patrons and staff. Douglas Theatres also participates in a validation program that gives movie patrons one hour of free parking in all other City garages.



Parking System Organization



The public parking system's organizational framework is horizontally structured and is divided into three areas of operational responsibility including, Off-Street Operations, On-Street Operations and Parking Enforcement. The City's Department of Public Works and Utilities, Parking Division, is responsible for off-street operations. In conjunction with a contracted parking service provider, Republic Parking Services, the department is responsible for parking facility operations including cashing, issuing monthly permits, bookkeeping, maintenance and operations.

The on-street operations are managed by The Department of Public Works and Utilities, Engineering Services and Traffic Division, and by the City's Finance Department. Public Works and Utilities determines meter locations, time limits, and provides maintenance, while the finance department collects meter fees and parking enforcement fines. The Lincoln Police Department is responsible for parking enforcement.

317 South 12th
Suite 101
Lincoln, NE 68508

CARRIAGE PARK
CENTER PARK
CORNHUSKER SQUARE
RAIDMARKET
IRON HORSE LOT

LINCOLN STATION SOUTH LOT
LUMBERWORKS LOT
MARKET PLACE
QUE PLACE
UNIVERSITY SQUARE

* Managed by Property Management

[illegible][illegible][illegible]

CORNHUSKER SQUARE	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	45	98	98	106	0	0	0	0	347
Handicapped	2	1	2	2	0	0	0	0	7
Reserved									
Monthly	40	0	0	0	0	0	0	0	40
Employee	0	0	0	0	0	0	0	0	0
Valet	0	0	0	0	0	0	0	0	0
									394

HAYMARKET	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	46	112	114	72	0	0	0	0	344
Handicapped	2	3	2	2	0	0	0	0	9
Reserved									
Monthly	52	0	0	0	0	0	0	0	52
Employee	4	0	0	0	0	0	0	0	4
Valet	0	0	0	0	0	0	0	0	0
									409

MARKET PLACE	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	44	63	63	63	63	63	17	0	376
Handicapped	9	0	0	0	0	0	0	0	9
Reserved									
Monthly	0	0	0	0	0	0	0	0	0
Employee	0	0	0	0	0	0	0	0	0
Valet	0	0	0	0	0	0	0	0	0
									385

QUE PLACE	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	67	72	104	109	104	109	106	65	736
Handicapped	3	3	3	3	3	3	1	0	19
Reserved									
Monthly	0	0	0	0	0	0	0	0	0
Employee	4	0	0	0	0	0	0	0	4
Valet	30	20	0	0	0	0	0	0	50
									809

UNIVERSITY SQUARE	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	47	66	28	91	52	0	0	0	284
Handicapped	2	3	1	3	1	0	0	0	10
Reserved									
Monthly	1	45	77	20	0	0	0	0	143
Employee	0	0	0	0	0	0	0	0	0
Valet	0	0	0	0	0	0	0	0	0
									437

IRON HORSE LOT	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	157	0	0	0	0	0	0	0	157
Handicapped	2	0	0	0	0	0	0	0	2
Reserved									
Monthly	0	0	0	0	0	0	0	0	0
Employee	0	0	0	0	0	0	0	0	0
Valet	0	0	0	0	0	0	0	0	0
									159

LINCOLN STATION SOUTH	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	89	0	0	0	0	0	0	0	89
Handicapped	4	0	0	0	0	0	0	0	4
Reserved									
Monthly	0	0	0	0	0	0	0	0	0
Employee	0	0	0	0	0	0	0	0	0
Valet	0	0	0	0	0	0	0	0	0
									93

LUMBERWORKS LOT	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6	Level 7	Level 8	Totals
Regular Spaces	61	0	0	0	0	0	0	0	61
Handicapped	3	0	0	0	0	0	0	0	3
Reserved									
Monthly	0	0	0	0	0	0	0	0	0
Employee	0	0	0	0	0	0	0	0	0
Valet	0	0	0	0	0	0	0	0	0
									64

Utilization Study

The Lincoln Parking System conducted a utilization study in December 2004 to illustrate how both monthly and transient rate customers are currently using the parking facilities. Information in the report was gathered between the days of Sunday, December 5, 2004 through Saturday, December 11, 2004. This time period reflects a normal business day-to-day usage found in the downtown area with college classes in session. However, these numbers reflect only a snapshot in time and a period between two major holidays. Future studies should and will be conducted in the months of January and September when the least amount of leave is taken by employees. Timing of utilization studies will become more relevant as facility occupancy levels swell.

To gain the utilization information, customers' card usage was tracked by noting entrance and exit times for each half hour of the day. The non-reserved and secured-reserved monthly parkers were combined to give an overall picture of the total number of monthly parkers that were in the garage at one time. At given periods of the day, the numbers of occupied spaces were counted to determine the peak and average garage occupancy percentages. The industry average for peak occupancy is between 85% to 90%.

In addition, a diversity factor was calculated for each garage which shows the percentages of the non-reserved parkers, which are issued monthly parking cards, and are in the parking facility at any given time. For example, if a firm has 100 parking cards issued, not every card will be used on a daily basis. Sickness, vacations, appointments, meetings and lunches would cause employees to leave the parking facility. Therefore, the ratio of non-reserved parkers who occupy the facility at peak times compared to the number of parking cards issued to all non-reserved parkers is known as the diversity. The industry average diversity ratio in parking garages located in a central business district is approximately 75%.

The following information will explain the space utilization at each parking facility and address any unique circumstances that affect the parking mix and usage variables.



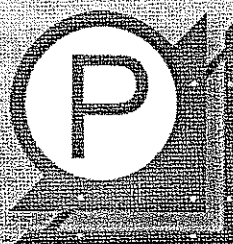
Carriage Park

The Carriage Park Garage has a total of 704 parking spaces, of which 15 are handicapped, 5 are reserved for employees and the remaining 684 are open for the public. Peak time occurs between 1:30 pm and 2:00 pm with the maximum number of non-reserved monthly cardholders in the garage at 476. The average number of non-reserved monthly parkers in the garage was 324. This resulted in a diversity factor of 73.46% during the peak time period and 50% during the average time period.

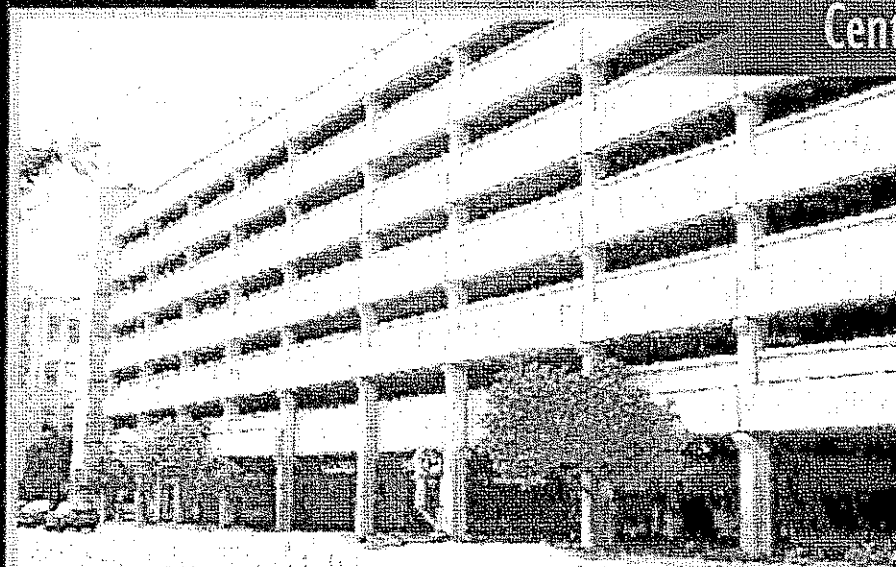
The occupancy level at Carriage Park Garage is often affected by events held at the Cornhusker Hotel because of its location. Therefore, when there is an event scheduled, the transient traffic flows over to Carriage Park Garage once the Cornhusker Garage becomes full. This causes the peak occupancy to be drastically higher than the average occupancy. When there is not an event at the hotel, the average number of open stalls each day is 217, compared to 0 stalls when the hotel has an event. With this information we can determine that the garage occupancy percentage is 104.55% during the peak time period and 69.18% during the average time period.

Also, a development agreement between the City of Lincoln and Murdock and now subsequently with Shubh LLC stipulates 250 stalls be allotted for transient parking. The 217 average open spaces along with the 143 average ticket holders meet the requirements of this development agreement.

	Peak	Average
Total Space Count	704	704
Less: Handicap Spaces	(15)	(15)
Reserved	0	0
Employee	(5)	(5)
Space Available to Sell	684	684
Diversity		
Non-Reserved Monthly Parkers	476	324
Total Non-Reserved Cards Issued	648	648
Diversity Factor	73.46%	50.00%
Garage Occupancy		
Non-Reserved Monthly Parkers	(476)	(324)
Ticket Holders	(240)	(143)
Empty Spaces	(32)	217
Garage Occupancy Rate	104.55%	69.18%



Center Park



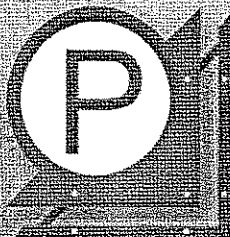
The Center Park Garage has a total of 1,061 spaces. This total includes 18 handicapped, 50 monthly reserved and 3 employee reserved spaces. The remaining 990 stalls are used for monthly cardholders, short-term transient customers and students. According to a development agreement with Southeast Community College and NMPP Energy, 300 of the 990 remaining spaces are set aside for transient parking.

As of December 2004, there were a total of 974 cardholders including 48 individuals with secured reserved stalls. After subtracting these 48 cards from the total issued (974), we are left with a total of 926 cards issued to non-reserved monthly parkers. According to the monthly vehicle counts, the maximum number of non-reserved monthly cardholders in the garage during the peak hours of 10:30 am and 11:00 am was 705. Overall, the average number of non-reserved monthly parkers in the garage at one time was 685. This results in a peak diversity factor of 76.13% and an average factor of 73.97%.

The highest number of cardholders in the garage at one time was 730, between the hours of 10:30 am and 11:00 am and is about 75% of the total number of customers who have access cards.

During the week of the study, there was an average of 502 monthly parkers in the garage at the peak time of 11:00 am. The average number of open stalls during the peak time was 0 while on average the number of open stalls was 54. The peak garage occupancy percentage is 101.23% and the average occupancy percentage is 94.91%.

	Peak	Average
Total Space Count	1,061	1,061
Less: Handicap Spaces	(18)	(18)
Reserved	(50)	(50)
Employee	(3)	(3)
Space Available to Sell	990	990
Diversity		
Non-Reserved Monthly Parkers	705	685
Total Non-Reserved Cards Issued	926	926
Diversity Factor	76.13%	73.97%
Garage Occupancy		
Non-Reserved Monthly Parkers	(705)	(685)
Ticket Holders	(298)	(251)
Empty Spaces	(13)	54
Garage Occupancy Rate	101.23%	94.91%

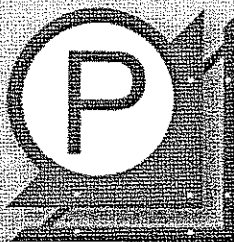


Cornhusker

The Cornhusker Garage has a total of 394 parking spaces, of which 7 are handicapped, 40 are reserved and the remaining 347 are open for public parking. Peak time occurs between 2:30 pm and 3:00 pm with the maximum number of non-reserved monthly cardholders in the garage at 61 parkers. Overall, the average number of non-reserved monthlies in the garage at one time was 48. The diversity factor during the peak time period is 65.59% and 51.61% during the average time period.

The Cornhusker Garage is drastically affected by the attached Cornhusker Hotel. According to a development agreement, 250 spaces must be available for transient use in order to accommodate the hotel customers and guest. Also, as with Carriage Park Garage a substantial fluctuation is detected when events are held at the hotel. Overall, the number of empty parking stalls at a peak time was 0 and the number on average was 81. The garage occupancy rate at the peak time period is 113.96% and during the average time period it is 79.44%.

	Peak	Average
Total Space Count	394	394
Less: Handicap Spaces	(7)	(7)
Reserved	(40)	(40)
Employee	0	0
Space Available to Sell	347	347
Diversity		
Non-Reserved Monthly Parkers	61	48
Total Non-Reserved Cards Issued	93	93
Diversity Factor	65.59%	51.61%
Garage Occupancy	347	347
Non-Reserved Monthly Parkers	(61)	(48)
Ticket Holders	(341)	(218)
Empty Spaces	(55)	81
Garage Occupancy Rate	113.96%	79.44%



Haymarket



The Haymarket Garage has a total of 409 parking spaces. These spaces consists of 9 handicapped, 52 reserved, 4 employee and 344 for regular business. During the week of the study no more than 26 reserved monthly parkers were in the garage at any given time. The average number of reserved parkers in the garage at one time was 14, which is 27% of the total number of reserved stalls.

The Haymarket Garage has the lowest peak and average occupancy percentages of the garages in the City of Lincoln. While most of the other garages experience usage from customers in the business office district, the primary businesses in this district are restaurants and the numbers reflect such usage.

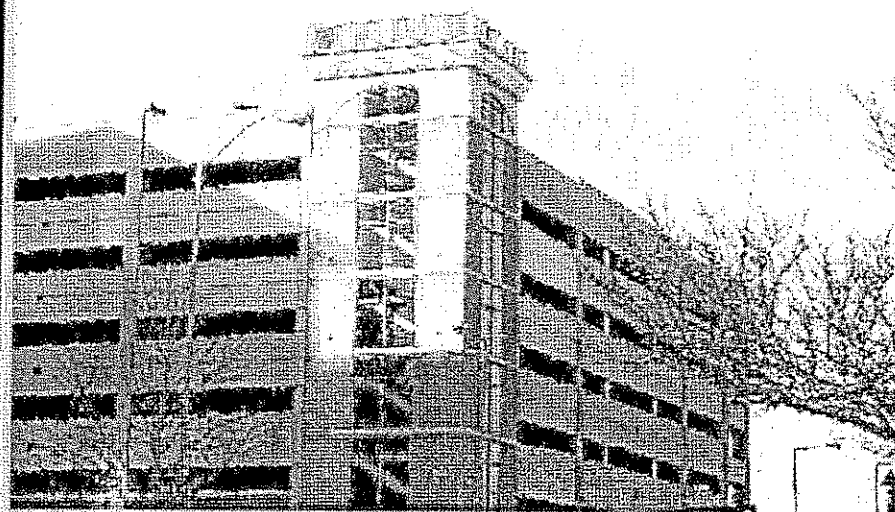
At peak time, between 1:00 pm and 1:30 pm, the maximum number of non-reserved monthly cardholders in the garage was 70. Overall, the average number of non-reserved monthlies in the garage at one time was 63. The diversity factor is 63.06% during the peak time period and 56.76% during the average time period.

When reserved and non-reserved monthly parkers were combined, the highest number of cardholders in the garage was 76, which is about 47% of the total number of customers having access cards. During the week of the study, there was an average number of 63 monthlies in the garage at a peak time of 10:00 am. During the peak time of the day there were 224 open stalls and on average there were 242 open stalls. Overall, peak occupancy for the Haymarket Garage is 45.23% and average occupancy is 40.83%.

	Peak	Average
Total Space Count	409	409
Less: Handicap Spaces	(9)	(9)
Reserved	(52)	(52)
Employee	(4)	(4)
Space Available to Sell	344	344
Diversity		
Non-Reserved Monthly Parkers	70	63
Total Non-Reserved Cards Issued	111	111
Diversity Factor	63.06%	56.76%
Garage Occupancy	344	344
Non-Reserved Monthly Parkers	(70)	(63)
Ticket Holders	(50)	(39)
Empty Spaces	224	242
Garage Occupancy Rate	45.23%	40.83%



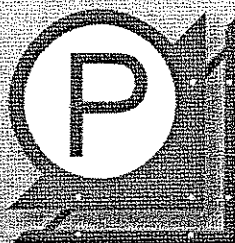
Market Place



The Market Place Garage has a total of 385 parking spaces, of which 9 are handicapped and the remaining 376 are open for public parking. At peak time, between 10:30 am and 11:00 am, the maximum number of non-reserved monthly cardholders in the garage was 147. Overall, the average number of non-reserved monthly customers at one time was 138. Overall, the diversity factor during the peak time period is 72.77% and during the average time period it is 68.32%.

Market Place Garage is affected by the business at Embassy Suites because of its proximity to the hotel. Occupancies decrease and increase dramatically based on the events at the hotel. The data collected during the week of this study clearly illustrates this trend. For example, an event was held on Wednesday, December 8th and there were only 98 spaces open at the peak time. In comparison during the rest of the week when there were not any events at the Embassy Suites, the open space count grew to 169 spaces. The peak occupancy rate is 74.55% and the average occupancy rate is 56.36%.

	Peak	Average
Total Space Count	385	385
Less: Handicap Spaces	(9)	(9)
Reserved	0	0
Employee	0	0
Space Available to Sell	376	376
Diversity		
Non-Reserved Monthly Parkers	147	138
Total Non-Reserved Cards Issued	202	202
Diversity Factor	72.77%	68.32%
Garage Occupancy		
Non-Reserved Monthly Parkers	(147)	(138)
Ticket Holders	(131)	(70)
Empty Spaces	98	168
Garage Occupancy Rate	74.55%	56.36%



Que Place

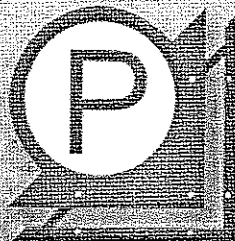
The Que Place Garage has a total of 809 parking spaces, 19 are for handicapped, 50 are reserved, 4 are employee spaces and 736 are slated for public parking. The Que Place Garage is also affected by the Embassy Suites for two reasons. First because of its proximity to the hotel and second because there are 50 stalls reserved at this facility for hotel valet parking. When there are no events, there is an average occupancy percentage of 72.44% compared to 94.81% when there is an event.

At peak time, between 1:00 pm and 1:30 pm, the maximum number of non-reserved monthly cardholders in the garage was 384. Overall, the average number of non-reserved monthlies in the garage at one time was 317. This means that the diversity factor at the peak time period is 78.37% and during the average time period it is 64.69%.

When we combine the valet-reserved and non-reserved monthly parkers, the highest number of cardholders in the garage was between 1:30 pm and 2:00 pm. At this time, there were a total of 407 combined monthly parkers, which is about 74% of the total number of customers having access cards.

Similar to the Market Place Garage, there is a huge disparity between the garage occupancy percentages when comparing the peak to the average again because of the varying event schedules at the Embassy Suites. The peak occupancy percentage is 94.81% and 72.44% during average occupancy.

	Peak	Average
Total Space Count	809	809
Less: Handicap Spaces	(19)	(19)
Reserved	(50)	(50)
Employee	(4)	(4)
Space Available to Sell	736	736
Diversity		
Non-Reserved Monthly Parkers	384	317
Total Non-Reserved Cards Issued	490	490
Diversity Factor	78.37%	64.69%
Garage Occupancy	736	736
Non-Reserved Monthly Parkers	(348)	(317)
Ticket Holders	(310)	(196)
Empty Spaces	42	223
Garage Occupancy Rate	94.81%	72.44%

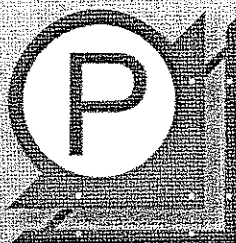


University Square

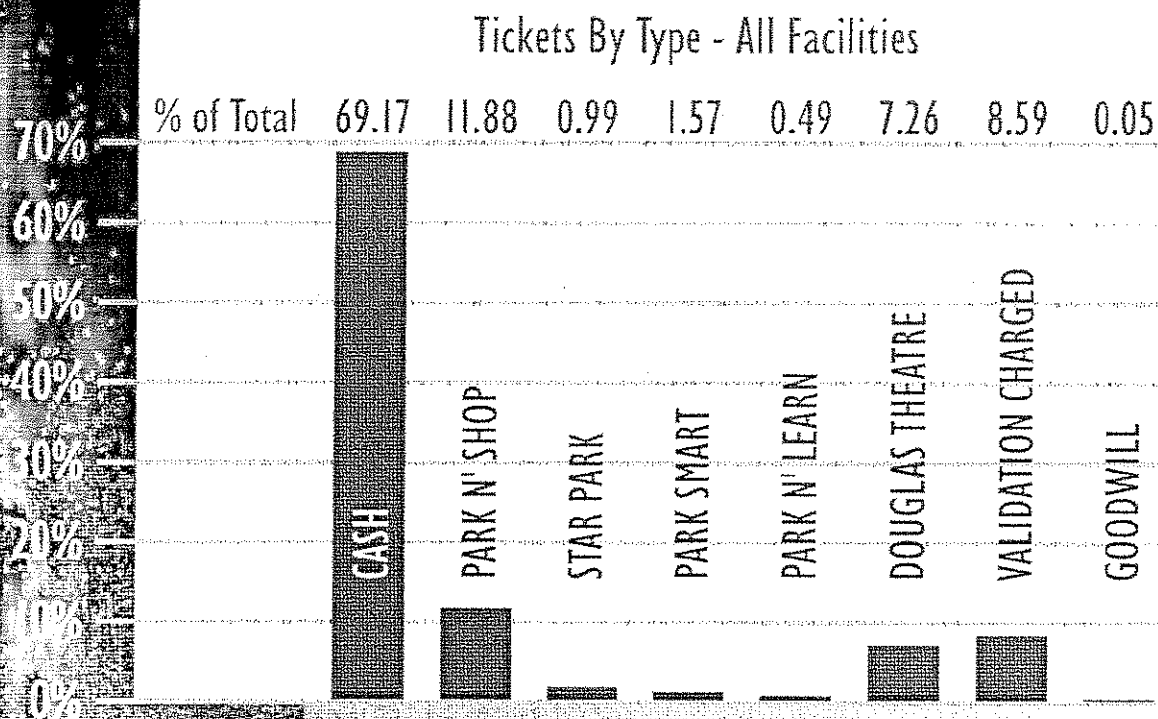
The University Square Garage has a total of 437 parking spaces, of which 10 are designated for handicapped, 143 for reserved, 3 employee spaces and the remaining 287 are open for public parking. At peak time, between 9:30 am and 11:00 am, the maximum number of non-reserved monthly cardholders in the garage was 103. Overall, the average number of non-reserved monthlies in the garage at one time was 93. The diversity factor at this facility is 54.21% during the peak period and 45.59% on average.

University Square is a unique garage because it receives a substantial amount of business during nights and weekends due to its proximity to the bars and restaurants in the area. For example during business hours Monday through Friday the transient peak is 147 customers, but during evening weekend hours, the transient peak number increases to 321 customers. The number of open stalls during the peak time was 37 and on average the number of open stalls was 84. Overall, the peak garage occupancy percentage is 91.53% and the average garage occupancy percentage is 80.78%.

	Peak	Average
Total Space Count	437	437
Less: Handicap Spaces	(10)	(10)
Reserved	(143)	(143)
Employee	(3)	(3)
Space Available to Sell	287	287
Diversity		
Non-Reserved Monthly Parkers	103	93
Total Non-Reserved Cards Issued	190	204
Diversity Factor	54.21%	45.59%
Garage Occupancy	287	287
Non-Reserved Monthly Parkers	(103)	(93)
Ticket Holders	(147)	(110)
Empty Spaces	37	84
Garage Occupancy Rate	91.53%	80.78%

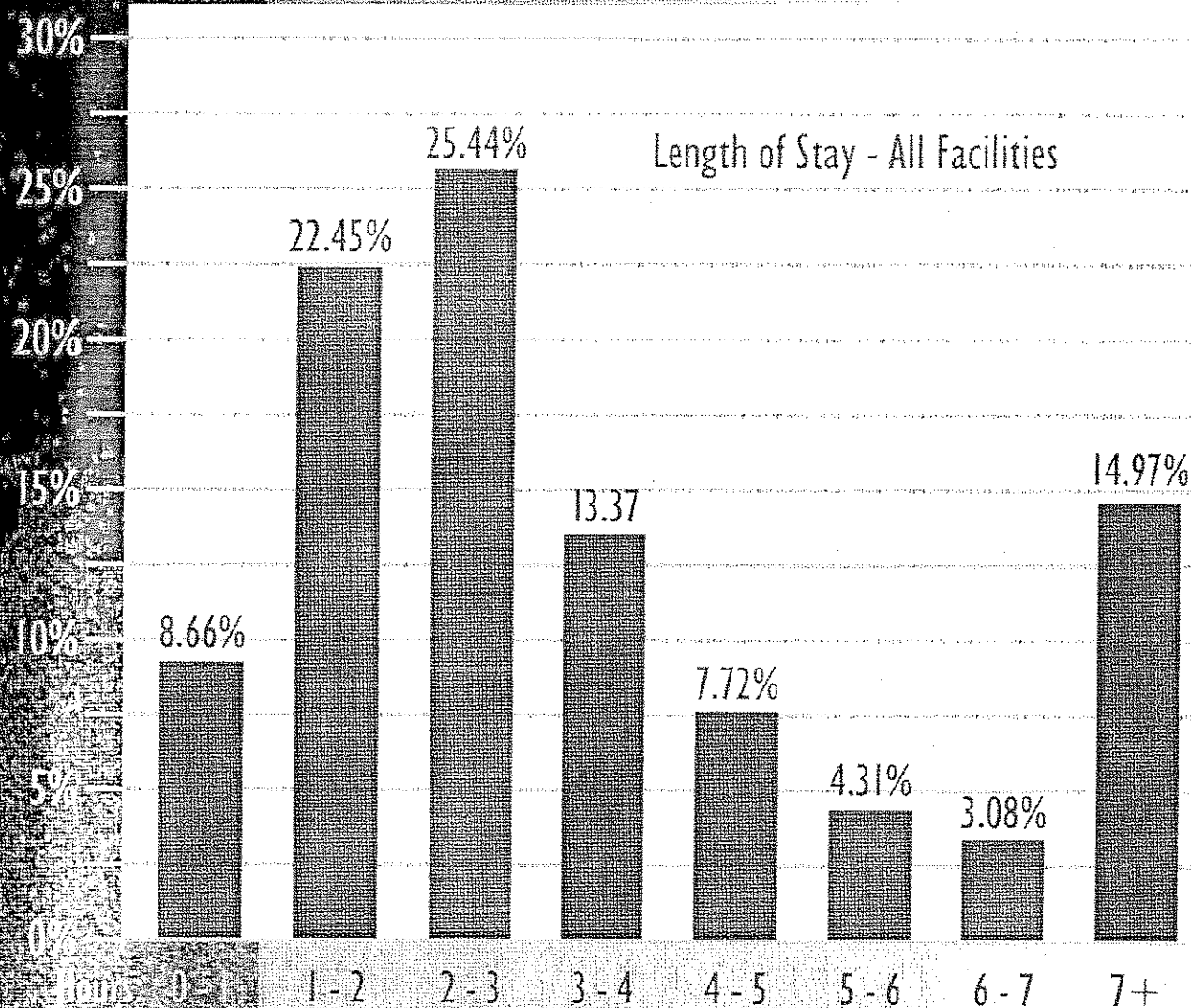


Transient Ticket Analysis



An average of 920,868 tickets were pulled at the facility entrances throughout the year. These tickets fit into one of the eight categories listed. The chart shows that customers who pay cash account for 69% of all tickets collected. The second most common transaction includes those customers who have Park N Shop coupons, accounting for almost 12% of all tickets collected.

Transient Ticket Analysis



A transient ticket analysis was also conducted to obtain information in three areas including: the average length of stay in parking facilities, the distribution of ticket types and the average length of stay for those customers who paid cash for their tickets. These findings assist in determining where the majority of the customer base exists. This allows for further evaluation of programs and strategies which can be implemented to improve customer satisfaction.



Cash Tickets by Length of Stay

Tickets By Type - All Facilities

	0-1 hr.	1-2 hrs.	2-3 hrs.	3-4 hrs.	4-5 hrs.	5-6 hrs.	6-7 hrs.	7+ hrs.
Carriage	24	58	73	48	32	24	19	147
Center	194	726	610	216	131	33	5	252
Cornhusker	131	234	217	267	169	117	78	707
Haymarket	90	247	230	164	112	41	16	—
Market Place	38	143	163	139	57	45	37	176
Que Place	247	761	830	368	272	163	88	628
University Square	380	649	709	444	164	89	66	184

As previously indicated 69% of all tickets are paid for with cash. This chart breaks down the length of stay at each garage for cash tickets. It indicates that at Carriage Park and Cornhusker the most common length of stay is seven hours or more. This is attributed to hotel guest of the Cornhusker Hotel who stay overnight or for all day events. At Center Park, Haymarket, Market Place and University Square the most common length of stay is between 1 and 3 hours. Similarly, the most common length of stay at Que Place Garage is 2 to 3 hours.



CITY OF LINCOLN PARKING TRV

317 South 12th
Suite 101
Lincoln, NE 68508

402-441-6472 fax: 402-441-6476

CARRIAGE PARK
CENTER PARK
CORNHUSKER SQUARE
HAYMARKET
IRON HORSE LOT

LINCOLN STATION SOUTH LOT
LIMBERWORKS LOT
MARKET PLACE
QUE PLACE
UNIVERSITY SQUARE

FINANCIAL OVERVIEW

AS OF AUGUST 31, 2004

CAPITAL ASSETS	PARKING LOTS	PARKING GARAGES
Facilities	\$320,200	\$4,267,844
Buildings	\$9,765	\$40,934,697
Improvements Other Than Buildings	\$287,148	\$266,428
Machinery & Equipment	\$86,068	\$1,041,698
Less Accumulated Depreciation	-\$135,660	-\$10,095,201
TOTAL CAPITAL ASSETS	\$567,521	\$36,375,466

PARKING GARAGE REVENUES

OPERATING REVENUES	2001 / 2002	2002 / 2003	2003 / 2004
Garage - Lease	\$1,757,022	\$2,107,126	\$2,265,789
Garage - Transient	\$1,842,760	\$2,098,689	\$2,207,124
Parking Meter Revenue	\$1,365,760	\$1,283,374	\$1,147,347
Garage - Football	\$179,109	\$222,017	\$259,761
Parking Coupons	\$122,585	\$147,053	\$156,068
Developer Contribution			\$112,231
Non-Moving Fines			
Miscellaneous	\$16,139	\$12,305	\$12,347
TOTAL OPERATING REVENUES	\$5,282,983	\$5,870,564	\$6,160,667

PARKING GAGE ANALYSIS

OPERATING EXPENSES	2001 / 2002	2002 / 2003	2003 / 2004
Salaries	\$69,386	\$71,718	\$73,836
Employee Benefits	\$16,235	\$26,500	\$27,294
Supplies	\$43,104	\$48,374	\$65,507
Contractual Services	\$138,979	\$259,634	\$324,261
Management Services	\$1,165,020	\$1,158,385	\$1,365,568
Travel and Mileage	\$8,683	\$13,760	\$15,001
Printing and Copying	\$9,410	\$13,754	\$7,117
Insurance	\$22,775	\$26,665	\$46,049
Utilities	\$182,047	\$192,418	\$220,537
Repair and Maintenance	\$152,159	\$143,564	\$188,286
Rentals	\$25,467	\$76,340	\$26,601
Advertising	\$3,053	\$20,776	\$78,568
City Rental Services	\$59,551	\$108,222	\$69,600
Parking Validation Expense	\$32,325	\$80,373	\$154,848
Miscellaneous	\$28,650	\$40,049	\$47,432
Non Capitalized Equipment	\$7,545	\$24,099	\$22,986
Depreciation	\$896,419	\$1,028,433	\$1,022,072
TOTAL OPERATING EXPENSES	\$2,860,808	\$3,333,064	\$3,755,563
OPERATING INCOME (LOSS)	\$2,422,175	\$2,537,500	\$2,405,104

FINANCIAL STATEMENTS

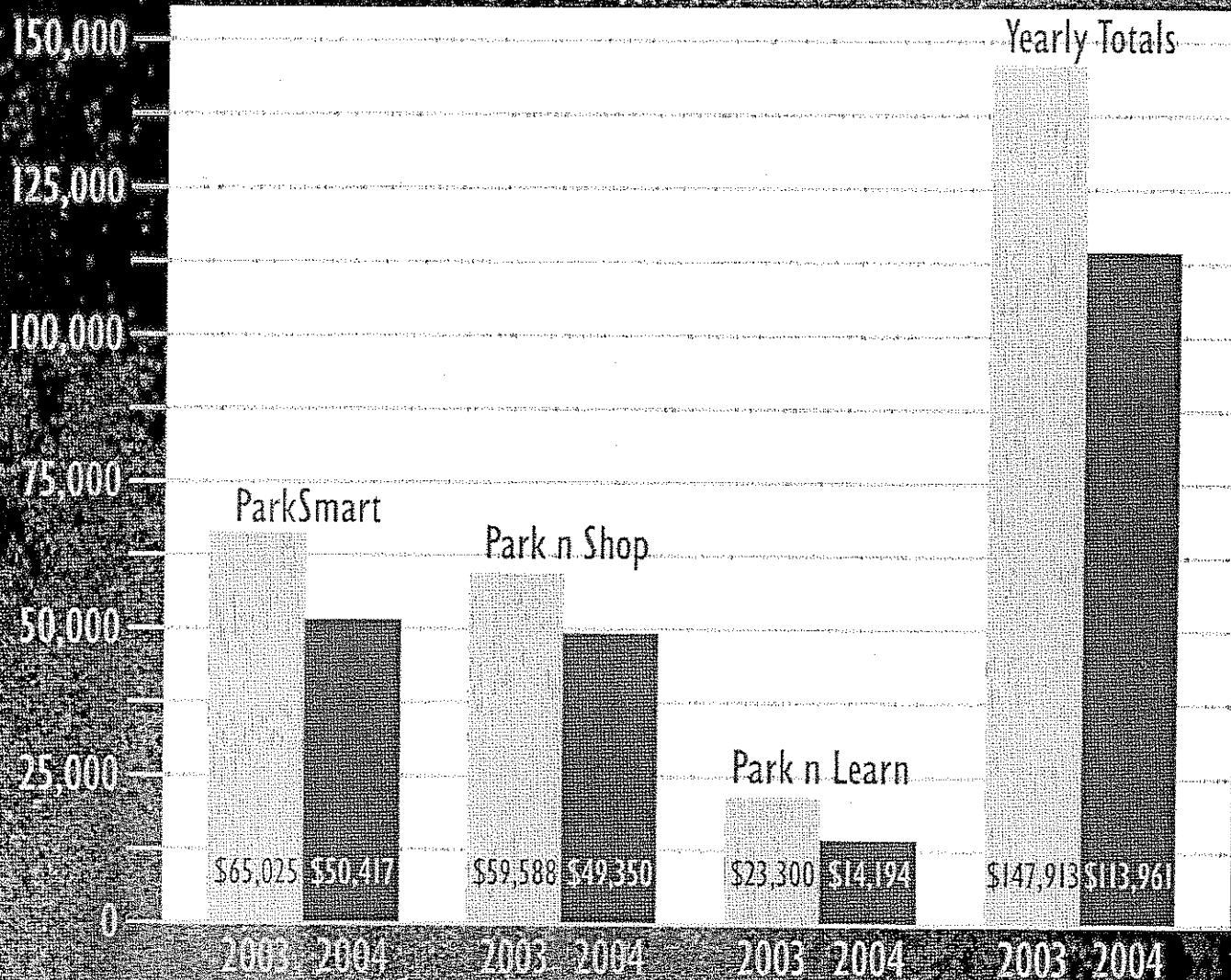
NON-OPERATING REVENUE (EXPENSES)	2001 / 2002	2002 / 2003	2003 / 2004
Investment earnings	\$200,561	\$117,676	\$138,930
Gain (Loss) on Sale of Assets			(\$28,467)
Payment to General Fund	(\$935,000)	(\$835,000)	(\$835,000)
Amortization of Deferred Charges	(\$33,234)	(\$33,259)	(\$35,189)
Interest Expense	(\$832,596)	(\$962,064)	(\$912,082)
TOTAL OPERATING EXPENSES	(\$1,600,269)	(\$1,712,647)	(\$1,671,808)
OPERATING INCOME (LOSS)	\$821,906	\$824,853	\$733,296
Transfers In (Out)		\$942,239	
TOTAL NET ASSETS			
BEGINNING OF YEAR	\$22,449,415	\$23,271,321	\$25,038,413
TOTAL NET ASSETS			
END OF YEAR	\$23,271,321	\$25,038,413	\$25,771,709

Coverage Calculation

Revenue Available for Debt	\$3,318,594	\$3,565,933	\$3,427,176
Maximum Debt Service	\$2,160,650	\$2,160,650	\$2,160,650
Coverage Ratio	\$1,536	\$1,650	\$1,586

REVENUES		
PARKING REVENUES	2002 / 2003	2003 / 2004
Lease	\$0	\$92,842
Transient	\$0	\$64,521
Football	\$0	\$11,539
Special Events	\$0	\$14,324
Meters	\$0	\$21,622
Miscellaneous	\$0	\$480
Cash Overage / Shortage	\$0	(\$12)
TOTAL PARKING REVENUES	\$0	\$205,316
OPERATING EXPENSES		
OPERATING EXPENSES	2002 / 2003	2003 / 2004
Personnel		
Supplies		
Other Services and Charges	\$0	\$1,198
Capital Outlay	\$0	\$170,860
Debt Service	\$0	\$53,294
TOTAL OPERATING EXPENSES	\$0	\$225,352
NET OPERATING EXPENSES	\$0	(\$20,036)
NON-OPERATING REVENUES (Expense)		
Interest Income	\$0	\$24,008
Gain (Loss) on Sale of Assets	\$0	
NET NON-OPERATING REVENUES (Expense)	\$0	\$24,008
NET REVENUES	\$0	\$3,972

Validation Sales Comparison for 2003 and 2004



Parking Programs and Specials

VALIDATION PROGRAMS

Programs and specials have been developed to meet the unique needs of a variety of customers. Whether the desire is to free up on-street parking for downtown business patrons, ensure that sports fans will have a place to park or to take away the need for cash payments. Each program has a specific design that customers find beneficial.

Park Smart

The purpose of this program is serve customers who use parking garages less than five days a week or four hours or less a day. Customers can purchase a book of 10 validation stickers for \$22. Each sticker is worth four hours of parking at participating garages including: Que Place, University Square, Cornhusker, Carriage Park, Center Park, Market Place and Haymarket. The customer may put up to two stickers on each ticket. By purchasing these stickers customers save up to \$1.10 each visit.

Park and Shop

This program is intended to allow downtown businesses the opportunity to thank patrons by validating parking and if desired to validate part-time employee parking. Businesses purchase a book of 50 validation stickers for \$15. Each sticker is worth one hour of parking at participating garages including: Que Place, University Square, Cornhusker, Carriage Park, Center Park, Market Place and Haymarket. Up to three stickers can be used on each ticket. The cost of each sticker is approximately \$0.30.

Park and Learn

This program is specifically for students who attend class at schools in any of the six downtown campuses including: Southeast Community College, Peru State, Bellevue University and the College of Hair Design. Students are issued magnetic swipe cards with a predetermined amount on them. They use them to swipe in and out at participating garages on scanners at the entrances and exits of the facilities. The goal of this program is to lure students in the facilities when occupancy levels are low. During peak occupancy times students are charged extra for using a discounted card. Park and Learn participants receive a 45% discount and are required to show a current student I.D. and class schedule.

Participating garages with time restrictions include:

Carriage Park 24 hours per day 7 days per week

Center Park 3:00 am-10:00 pm Monday-Thursday

Cornhusker, Market Place, Haymarket, Que Place- 12:01 am- 6:00 pm Monday-Friday

University Square No Access. Card will not work at this location.



Park It Downtown Card

The recently introduced, Park It Downtown Card, is a prepaid card that is used each time a customer enters and exits a parking facility. It eliminates the need for cash and check payments as well as speeds up the time it takes to exit the garage. Participants in this program receive a 20% discount when spending at least \$20. Following are the available increments and the discounted rate.

Cost	Value
\$20	\$25
\$40	\$50
\$60	\$75
\$80	\$100

This card is valid at Carriage Park, Center Park, Cornhusker, Haymarket, Iron Horse Lot, Market Place, Que Place and University Square. Customers will have access to these facilities 24 hours a day, 7 days a week subject to availability.

HAYMARKET SPECIALS

Early Bird Special

If a customer parks in the Haymarket Garage by 8:00 a.m. and leaves by 5:30 p.m., the most it will cost to park is \$2.75. This special is good Monday through Friday.

Lunch Special

At the Haymarket Garage a customer can park between 11:00 a.m. and 1:30 p.m. for a dollar. This special is good seven days a week.

Baseball Special

During Saltdog and Husker baseball/softball home games customers can park in the Haymarket garage for \$2. This special is good Monday-Friday after 5:00 p.m. and all day Saturday and Sunday.

Special Events

A flat rate is charged for special events. The rate ranges from \$3-\$5, depending on the size of the event.

Grand Theatre Parking

A contract developed between the City of Lincoln and Douglas Theatres' Lincoln Grand allows movie patrons 3 hours of free parking at Center Park Garage or 1 hour of free parking at all other City garages. Customers can take their parking garage ticket stub to the theatre where it is validated.



Husker Football

On Nebraska home game days parking services operates 12 facilities totaling 5,006 spaces. During these days there is a flat rate charged at all garages. These rates range from \$5-\$10, depending on the proximity of the garage to the stadium. Customers may also purchase parking using e-pay Husker parking or the season pass option.

E-Pay Husker Parking

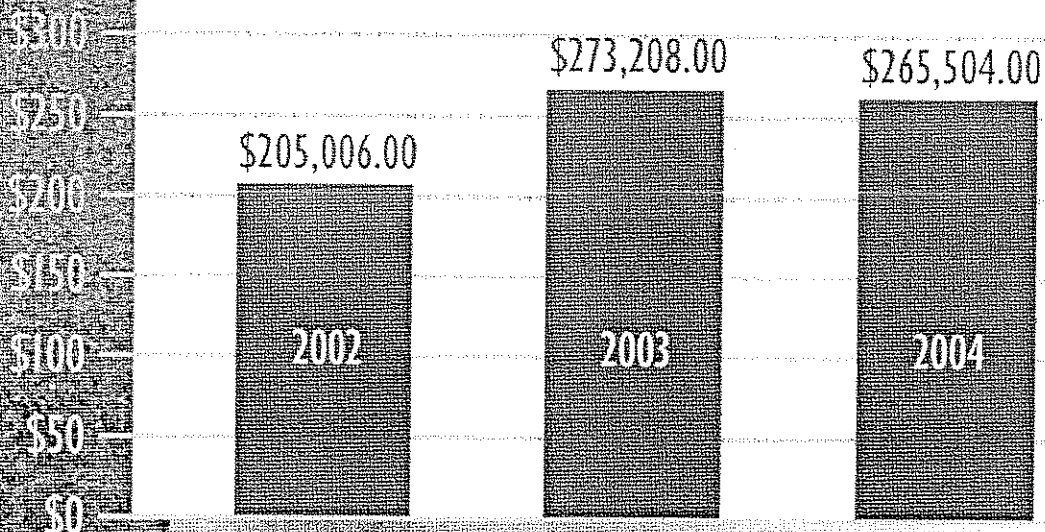
Parking for game day can be purchased in advance at parkitdowntown.org. At this site customers are able to purchase tickets to a single game or if they wish, for all of the games. There is a \$1 fee added to the price of the parking when ordering online.

Season Pass

Customers may purchase a season pass to all of the games. The parking office keeps a list of customers who have purchased this pass in prior years. A form is sent out to those customers prior to football season allowing them to purchase the pass again. This form can also be accessed online at parkitdowntown.org. Once this pass has been purchased customers will be mailed a magnetic swipe card to use at the entrances and exits of the garages.

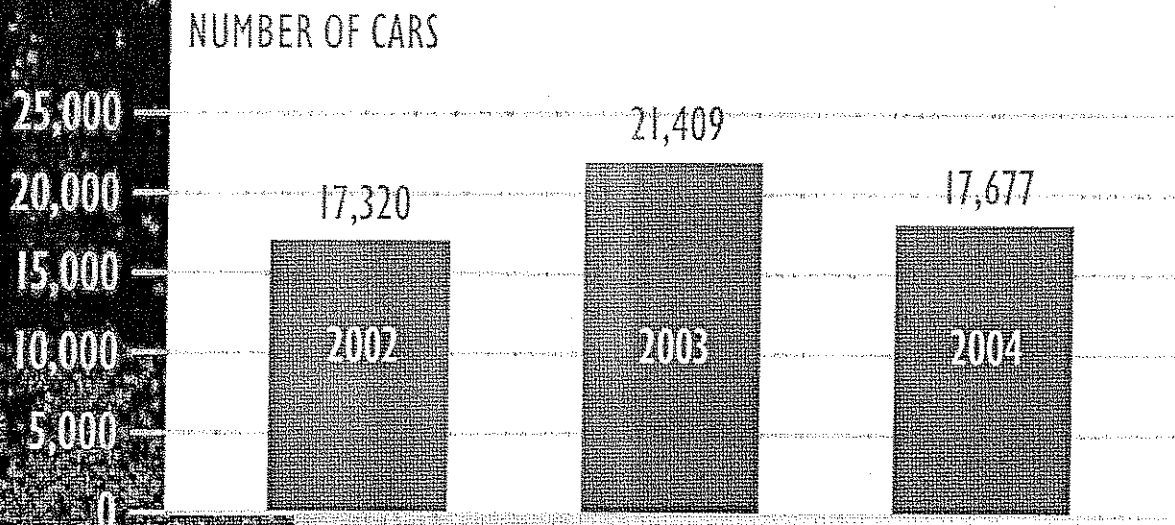
The following chart shows the comparison of total football revenue for 2002, 2003 and 2004. It is important to note that these comparisons are based on eight homes games in 2002, seven in 2003 and six in 2004.

TOTAL FOOTBALL REVENUE COMPARISON
DOLLARS BY THOUSANDS



Total Number of Cars Parked Comparison

The following is a comparison of the number of cars parked during Nebraska home games over the past three years.



2004 Total Sales Breakdown

- Prepay and Daily \$147,172
- Season Pass \$90,132
- Online \$28,200

